


FIFTH GUAM LEGISLATURE
1967 (SECOND) Special Session

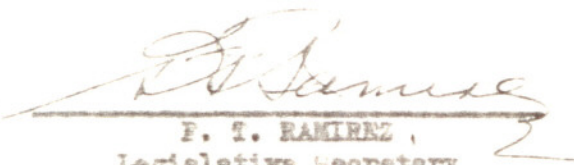
CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Bill No. 203(2-S), "An Act to add Chapter III to Title LIV, Government Code of Guam, to provide for direct Government of Guam guaranty of loans for construction of hotel facilities", was on the 19th day of April, 1967, duly and regularly passed.



J. C. ARRIOLA
Speaker

ATTESTED:



F. T. RAMIREZ,
Legislative Secretary

This Act was received by the Governor this _____ day
of _____, 1967 at _____ o'clock _____ P. M.

/s/ DENVER DICKERSON

DENVER DICKERSON
Secretary of Guam

ATTESTED:

MANUEL F. L. GUERRERO

MANUEL F. L. GUERRERO
Governor of Guam

APR 19 1967
8:55 a.m.

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Public Law 9-63
Ninth Guam Legislature
(Bill 203 (2-S))
May 5, 1967

AN ACT

An Act to add Chapter III to Title LIV, Government Code of Guam, to provide for direct Government of Guam guaranty of loans for construction of hotel facilities.

Be it enacted by the People of the Territory of Guam:

Section 1. Chapter III is hereby added to Title LIV of the Government Code of Guam to read as follows:

"CHAPTER III
Hotel Loan Guarantee

Section 53700. Legislative Findings. The Legislature finds that the development of tourist hotel facilities is essential to the economic development of Guam; that adequate long term credit is not available under present conditions; that existing government agencies are unable to provide either the required capital or guarantee assurances acceptable to private lending institutions; and that it is therefore necessary to pledge the full faith and credit of the Government of Guam to guarantee repayment of loans for hotel purposes.

Section 53701. The Governor of Guam, with the concurrence of the Legislature, is authorized, on behalf of the Government of Guam, to guarantee payment of loans made for the development and construction of tourist hotel facilities, subject to the following criteria and conditions:

- (a) No guaranty shall be executed in an amount in excess of the lesser of \$1,500,000 or 75% of the total development and construction cost of any one hotel project, and no more than \$3,000,000 may be guaranteed for any number of such projects.
- (b) Project applicants shall provide evidence of capital contribution in an amount equal to not less than 25% of the estimated total project cost.
- (c) Applicants shall agree that the prime contractor who constructs the proposed hotel shall be chosen only after public bidding, advertised locally, such contractor to be the lowest responsible bidder thereon.
- (d) No applicant who receives a loan guaranty hereunder shall otherwise receive any direct loan from the Government of Guam or from any agency or instrumentality thereof, nor shall the Government of Guam, or any agency or instrumentality thereof, invest funds in any such applicant.
- (e) The proposed development must include all those facilities and services customarily required and provided for the accommodation of tourists, and shall be managed and operated by a reputable hotel management company.

Section 53702. The Governor of Guam shall provide by regulation for the implementation of this Chapter. Such regulations may provide, without limitation, for the submission of data required to evaluate an application for loan

guaranty, such further criteria as may be appropriate, the submission of regular progress reports, and the manner in which notice of default shall be given.

Section 53703. In the event of default in payments on any loan so guaranteed, and notice thereof in accordance with applicable regulations, the Legislature commits itself to appropriate funds as required for payment thereof."

Section 2. Section 20010 of the Government Code of Guam (Public Law 8-81, Eighth Guam Legislature, guarantee of hotel loans by Guam Housing Corporation) is hereby repealed.

Section 3. This Act is an urgency measure.

Approved May 5, 1967.